GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3169
ANSWERED ON:07.12.2007
FRAUDULENT WITHDRAWAL OF MONEY THROUGH ATM
Chowdhury Shri Adhir Ranjan

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware about the cases of fraudulent withdrawal of money from various banks through ATM;

(b) if so, the details; of such cases noticed during the last three years, State-wise;

(c) whether the Government proposes to safeguard the interest of customers;

(d) if so, th`3 details thereof; and

(e) the acti on taken by the government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAVVAN KUMAR BANSAL)

(a) & (b): Reserve Bank of India (RBI) has reported that a few instances of fraudulent withdrawal of money through ATMs/debit cards have been reported by the banks to RBI. During the year 2006-2007 (April to March), banks had reported 238 such fraud cases invalving an amount of Rs. 188,17 lakh and during 2007-2008 (upto Septmeber, 2007), the number of such incidents and amount involved therein was 80 and Rs.161.43 lakh respectively. State-wise data of such incidents and data pertaining to earlier years is not available with RBI,

(c), (d) & (e): As a part of its supervisory responsibility, RBI has been advising banks from time to time about the common fraud prone areas and the measures to be taken by them: to prevent/ reduce the incidents of frauds in banks. RBI had issued a circular to banks, on June 26, 2006, advising them to take various preventive measures to combat frauds, -elating to skimming of ATM /debit/credit cards resulting in fraudulent withdrawals. Banks were advised to educate the customers through hand-outs, e-mails, display s,t ATM terminals, website etc. Operational/security measures to be taken at ATM centres were also elaborated by RBI in the said circular.